

3 May 1956


MEMORANDUM FOR: Executive Secretary  
Economic Intelligence Committee

FROM: Chairman, Industrial Machinery and Equipment  
Subcommittee

SUBJECT: Post Mortem on NIE 13-56

REFERENCE: EIC-D-111/1 (rev.) 9 August 1955

1. Interest in the development of Communist China's industrial machinery and equipment is limited, for all practical research purposes, to CIA. Other agencies represented on the subcommittee have indicated, at best, a marginal interest and contemplate little or no research in the area.
2. Within CIA two steps have recently been taken and one additional major step is planned for FY 57. CIA Project No. 34.502 "Economic Factors Effecting Capital Equipment Production in Communist China" represents the first effort made within the community to develop firm estimates of production of machine tools, textile machinery and agricultural machinery. This project should be published and be made available to the community within the next three weeks.
3. Section 64 of the NIS on Communist China has just recently been revised. This brings together the most recent information available on manufacturing and construction in Communist China including all that is known concerning the capital equipment sector. This document is now available in multilith form for informal reference purposes.
4. Plans for FY 57 include a self-initiated area study of capital investment in Communist China. This will be the first major effects to fill in the gap noted in the post mortem and should go far toward accomplishing the objective.

 25X1A9a